

AMENDED IN ASSEMBLY MARCH 24, 2003

CALIFORNIA LEGISLATURE—2003–04 REGULAR SESSION

ASSEMBLY BILL

No. 368

Introduced by Assembly Member Chan
(Coauthors: Assembly Members Diaz, Longville, Lowenthal, and
Pavley)

February 14, 2003

An act to *amend Section 8804.5 of the Education Code, and to add Chapter 4.5 (commencing with Section 12693.55) to Part 6.2 of Division 2 of the Insurance Code, relating to health care coverage.*

LEGISLATIVE COUNSEL'S DIGEST

AB 368, as amended, Chan. Healthy Families Program: local educational agency billing option.

Existing law establishes, until January 1, 2004, the Healthy Families Program that is administered by the Managed Risk Medical Insurance Board. Under existing law, health, dental, and vision services are provided through the program to eligible children.

This bill would require the board, prior to July 1, 2004, to ~~established~~ *establish* a Healthy Families local educational agency billing option. The bill would authorize the Healthy Families Program to reimburse a local educational agency for covered services, as defined, provided by the agency during the school term to a child who is enrolled in the program.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: no.

The people of the State of California do enact as follows:

SECTION 1. *Section 8804.5 of the Education Code is amended to read:*

8804.5. (a) The Legislature finds and declares that, as the number of planning and operational grants awarded pursuant to this chapter increases, additional local planning and coordinating efforts will be necessary among school districts, county offices of education, county governments, community organizations, and nonprofit organizations for all of the following reasons:

(1) To avoid the duplication of efforts among agencies that administer the grants.

(2) To develop linkages between several school districts, individual county agencies, statewide organizations, or nonprofit organizations.

(3) To disseminate training and technical assistance materials developed by the department and other involved organizations.

(4) To plan for, and ensure, the continued ability of local educational agencies or consortia to provide support services with an operational grant, including planning and supporting the funding of those services beyond the three-year grant period through such means as Medi-Cal *and the Healthy Families Program*.

(5) To plan for, and ensure, the expansion of support services provided with an operational grant through creative refinancing options and the provision of comprehensive, integrated school-linked services to sites that do not receive planning or operational grants.

(b) From funds appropriated in the annual Budget Act for the Healthy Start Support Services for Children Act, the department may award county or regional planning and coordinating grants to no more than 11 local educational agencies or consortia each year, to be used for the purposes enumerated in subdivision (a). Each grant shall be for an amount not to exceed fifty thousand dollars (\$50,000). The total amount of grants awarded annually pursuant to this section shall not exceed five hundred fifty thousand dollars (\$550,000). The duration of each grant shall be mutually agreed upon by the grantee and the department.

(c) In awarding grants for the purposes of this section, the department shall give priority to local educational agencies or consortia that possess one or more of the following:

(1) An established capacity for leadership in the community and an ability to engage in local problem solving and to creatively approach the restructuring of service delivery methods.

(2) A demonstrated ability to work with and among service delivery agencies and systems, including county mental health, health, probation, and social service systems.

(3) The capacity to support county and regional planning and coordination efforts to be more responsive to the needs of children and their families in providing support services.

(4) Knowledge of the most effective strategies for refinancing grants and for integrating services between and among agencies.

(d) A local educational agency or consortia shall collaborate with local service delivery agencies and existing collaborative councils in implementing a grant received pursuant to this section.

SEC. 2. Chapter 4.5 (commencing with Section 12693.55) is added to Part 6.2 of Division 2 of the Insurance Code, to read:

CHAPTER 4.5. LOCAL EDUCATIONAL AGENCY BILLING OPTION

12693.55. The purpose of this chapter is to establish a billing option to reimburse a local educational agency for covered services it provides during the school term to a child who is enrolled in the program.

12693.555. The following definitions apply for purposes of this chapter:

(a) "Covered services" means those services set forth in subdivision (f) of Section 14132.06 of the Welfare and Institutions Code.

(b) "Local educational agency" shall have the same meaning set forth in subdivision (h) of Section 14132.06 of the Welfare and Institutions Code.

(c) "School term" means the period during which school is in session, excluding weekends and holiday periods.

12693.56. (a) The board shall, no later than July 1, 2004, establish a Healthy Families local educational agency billing option.

(b) The billing option shall, to the extent federal financial participation is available, reimburse a local educational agency for covered services it provides during the school term to a child who is enrolled in the program. ~~Services provided by a local educational agency to a child other than during the school term shall be reimbursed by the program under other provisions of this part.~~

(c) The board shall adopt regulations setting forth the requirements governing the local educational agency billing option provided by this chapter. The requirements shall be no more restrictive than those imposed on a local educational agency participating in the billing option described in Section 14132.06 of the Welfare and Institutions Code. The board may adopt less restrictive requirements than set forth in that section if it would increase participation by the local educational agency or by a health care provider in the program, or if it would improve access to covered services provided by a local educational agency.

(d) To the extent possible, procedures and forms used pursuant to this chapter shall be the same as those used pursuant to Section 14132.06 of the Welfare and Institutions Code.

12693.57. Covered services provided by a local educational agency pursuant to this chapter shall be closely coordinated with the child's primary care provider or other treating physician.

12693.58. The board shall establish an eligibility matching process to assist a local educational agency to identify children who are enrolled in the program.

12693.588. The board may withhold from payments for any claims under this chapter, necessary amounts to reimburse administrative and processing costs incurred by it or by the State Department of Health Services, not to exceed one percent of the amount payable to the local educational agency submitting the claim.

12693.59. The board shall file an amendment to the State Children's Health Insurance Program under Title XXI of the federal Social Security Act (subchapter 21 (commencing with Section 1397aa) of Chapter 7 of Title 42 of the United States Code) to allow receipt of federal funds to reimburse a local educational agency for covered services it provides to a child enrolled in the program.

1 12693.599. Nothing in this chapter shall be construed to
2 authorize a health care provider to provide services that are not
3 within the scope of his or her licensure *or credential*.

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